

# **EXHIBIT 50**



## BRIEF

# Puerto Rico governor names new PREPA CEO, board members

By Gavin Bade

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## Dive Brief

- Puerto Rico Gov. Ricardo Rosselló on Wednesday appointed a new CEO of the Puerto Rico Electric Power Authority (PREPA), filling a vacancy that opened last week when the company's current leader and his initial replacement said they would step down over salary issues.
- Rosselló appointed José Ortiz, a former PREPA board chairman and CEO of the island's state-owned water utility, as the new CEO. The move follows the appointment of two new board members, Eli Díaz Atienza and Ralph A. Kreil, on July 12.
- The appointment of Ortiz raised concern among observers in Puerto Rico and Washington over political influence at PREPA and Ortiz's past experience as the company's board chair. PREPA still has customers without power after Hurricane Maria destroyed its grid last year and the company is bankrupt, with \$9 billion in debt.

## Dive Insight

Facing a leadership vacuum at PREPA, Rosselló this week turned to a familiar figure in Puerto Rico's utility sector and his New Progressive party to lead the island's struggling power company.

Ortiz served as chairman of PREPA's board from 2011 to 2013 and as CEO of the Puerto Rico Aqueduct and Sewer Authority from

2007 to 2013. He also chaired the island's Infrastructure Financing Authority from 2009-2012, as well as the inter-agency board for Puerto Rico that managed funds from President Barack Obama's stimulus package.

The Rosselló administration touted that experience, calling Ortiz's credentials "unassailable" in a release, but critics worry the new CEO was part of the poor management culture that drove PREPA, and the entire Puerto Rican territory, into bankruptcy in recent years.

"If you want to transform PREPA — because we realize it was mismanaged for so long — why do we bring in someone who was part of that mismanagement?" said Jorge Camacho, a consultant with PREPA and former regulatory staffer in Washington, D.C.

Concerns with Ortiz's management style reach Washington, reports Caribbean Business, where Congress will watch the utility for signs of political influence over the troubled utility. The recent vacancies have allowed Rosselló to name Ortiz and all of PREPA's board, and Camacho said the new CEO is likely to staff his office with his own team, relying less on outside consultants.

Many of the concerns with Ortiz's leadership stem from more than a dozen renewable energy contracts signed at high prices — reportedly between \$0.15/kWh and \$0.18/kWh — when he was chair of the PREPA board.

Those contracts were later put on hold during the administration of Gov. Alejandro García Padilla, a member of the opposition Popular Democratic party, but Caribbean Business reports the newly seated board approved seven of them this week.

The new appointees at PREPA follow a spate of resignations. Last week, current CEO Walter Higgins announced he would step down over issues securing his contracted salary. The board then named Rafael Diaz-Granados to the role, but he and seven

board members stepped down after Rosselló pressured them to reduce the new leader's salary.

Ortiz will reportedly make \$250,000, far less than the \$750,000 initially promised to Diaz-Granados.

Ortiz will assume his role at PREPA on July 23. The company is currently devising a new integrated resource plan that will guide the rebuild of its fragile grid.